



Executive Office of Health and Human Services

Rhode Island Medicaid Reform

Long Term Care Coordinating Committee

October 2, 2008

Rhode Island Medicaid Reform

Goal of Medicaid reform:

- Sustainability of Medicaid Program

Major components of Medicaid reform:

- Rebalance Long Term Care system
- Integrate systems of care across all Medicaid populations
- Complete transition from payor to purchaser for all Medicaid populations

The Global Waiver provides certain tools to accomplish Medicaid reform:

- Aggregate allotment of federal funds
- Flexibility on federal Medicaid rules

Medicaid Reform: Component One

Rebalance Long Term Care (LTC) system

Enhance access and availability of LTC services in most appropriate settings (home, shared living & assisted living) as alternative to more restrictive settings (e.g. nursing homes & residential care)

Actions needed:

- Streamline process to assess, refer, and assist consumers to choose the most appropriate LTC services in least restrictive setting
- Develop and enhance community service capacity, which includes shared living, assisted living, and in-home services
- Develop payment methodologies which provide incentives to rebalance the delivery system in favor of home and community-based care

Medicaid Reform: Component Two

Integrate systems of care across all Medicaid populations

- Require all Medicaid beneficiaries to participate in a integrated system of care program*
- Build on Rite Care, ConnectCare Choice (PCCM), PACE, and Rhody Health Partners to ensure coordinated and accessible care management for all Medicaid enrollees
- Establish Healthy Choice Accounts (HCA) that reward wellness, prevention and healthy lifestyles

*Note: Persons with existing third party comprehensive medical coverage will be exempted from this requirement. For example, the successful Rite Share premium assistance program will continue, and dual Medicare/Medicaid eligibles will continue to receive acute health services from Medicare.

Medicaid Reform: Component Three

Complete the transition from payor to purchaser for all Medicaid populations

- Tie reimbursement to performance and quality of care
- Purchase selected health care services interdepartmentally
- Enhance competition to assure capacity to provide the most appropriate services and settings at the best price

Global Waiver Status

Met with CMS Regional Director, September 11

- Walked through Rhode Island's waiver application
- Recognized that Waiver is high priority for Governor and therefore is high priority for CMS Central Office
- Outlined next steps in review process

Call from CMS Central Office to notify state that they are pulling together their review team

- Expect contact from CMS in next several weeks after team assembled and they are ready to begin review and negotiations

Met with CMS Central Office on September 29, 2008

- State provided overview of global Waiver application
- Meetings to be scheduled over the next few weeks to go into detail on financing and reforms



Medicaid Reform: Near Term Changes aka “Plan B”

Use current authorities to implement direction outlined in the Global Waiver including:

- Rebalance long term care system
- Implement integrated care systems across populations
- Implement rate reform
- Identify other miscellaneous savings

Progress on Medicaid Reform

Changes Since July 1, 2008

- Developed methodology for rate adjustment for homemaker, personal care (home health aides), and adult day care
- Changed expedited service policy
- Reduction in nursing home bed days
- Achieved high rate of enrollment of adults with disabilities into Rhode Health and Connect Care (12,000 of 15,000 enrolled)
- Implementing generic drug provision in RItE Care
- Reduced RItE Care health plan administrative fee

Medicaid Reform: Community Input

Committed to ongoing dialog with community stakeholders

Community Input Opportunities

- Focused stakeholder working groups
- Periodic community forums

Information Sharing Strategies

- Meeting presentations
- Web site postings
- Periodic stakeholder meetings

Medicaid Reform: Administration

New business model required to implement and operate the Medicaid Program under the proposed Medicaid reforms

- Centralize core Medicaid functions at EOHHS. Population-specific program functions remain in EOHHS departments.
- Internal “capacity mapping” which will result in:
 - Assessment of current capacity to effectively implement and operate the waiver
 - Recommendations and description of a new business model for Medicaid, including skills, functions and organization
 - Opportunities to transition and reorganize current capacity to meet the needs of the new business model
 - Identification of additional skills, functions, and capacity needed